

# TRADEMARK ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
CTI Industries Corporation		04/29/2010	CORPORATION: ILLINOIS
RECEIVING PARTY DATA			
Name:	Harris N.A.		
Street Address:	111 W. MONROE ST.		
Internal Address:	5W		
City:	Chicago		
State/Country:	ILLINOIS		
Postal Code:	60603		
Entity Type:	national banking association: UNITED STATES		
PROPERTY NUMBERS Total: 10			
Property Type	Number	Word Mark	
Serial Number:	77912227	ZIP VAC	
Registration Number:	2822844	HUGGERS	
Registration Number:	2848536	FLORALOONS	
Registration Number:	2832620	CANDYLOON	
Registration Number:	1841922	ULTRALOON	
Registration Number:	1863271	DAZZELOONS	
Registration Number:	1616702	CTI	
Registration Number:	1748636	LOONY	
Registration Number:	1291308	MINILOON	
Registration Number:	1211711	SUPERLOON	
CORRESPONDENCE DATA			
Fax Number: (312)698-4597			
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.			

OP \$265.00 77912227

900161068

TRADEMARK  
REEL: 004197 FRAME: 0198

Phone: 312.849.8206  
Email: sazabela@mcguirewoods.com  
Correspondent Name: Stephanie A. Zabela, McGuireWoods LLP  
Address Line 1: 77 W. Wacker Drive  
Address Line 2: Suite 4100  
Address Line 4: Chicago, ILLINOIS 60601-1818

NAME OF SUBMITTER:	Stephanie Zabela
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Signature:	/Stephanie Zabela/
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Date:	05/03/2010
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**Total Attachments: 10**

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## PATENT AND TRADEMARK SECURITY AGREEMENT

This PATENT AND TRADEMARK SECURITY AGREEMENT (this "*Agreement*") is made as of April 29, 2010, by CTI INDUSTRIES CORPORATION, an Illinois corporation (the "*Debtor*"), in favor of HARRIS N.A., a national banking association (the "*Secured Party*").

### RECITALS:

A. The Debtor has requested that the Secured Party from time to time extend credit or otherwise make financial accommodations available to or for the account of the Debtor, including, without limitation, pursuant to the terms of that certain Credit Agreement dated as of April 29, 2010, between the Debtor and the Secured Party, as the same may from time to time be amended, modified or restated (the "*Credit Agreement*"; capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Credit Agreement).

B. Pursuant to the terms of that certain Security Agreement dated as of April 29, 2010, between the Debtor and the Secured Party, as the same may from time to time be amended, modified or restated (the "*Security Agreement*"), the Debtor has granted to the Secured Party a security interest in substantially all of its assets, including all right, title, and interest of the Debtor in, to, and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications, and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by the Debtor under the Credit Agreement.

In consideration of the mutual agreements set forth herein and in the Credit Agreement and the Security Agreement, the Debtor hereby grants to the Secured Party a continuing security interest in all of the Debtor's right, title, and interest in, to and under the following, whether presently existing or hereafter created or acquired:

- (1) each trademark and trademark application of the Debtor, including, without limitation, each trademark and trademark application of the Debtor referred to in **Schedule I** attached hereto, together with any reissues, continuations, or extensions thereof and all goodwill associated therewith;
- (2) each trademark license of the Debtor, including, without limitation, each trademark license of the Debtor listed on **Schedule I** attached hereto, together with all goodwill associated therewith;
- (3) all products and proceeds of the foregoing, including, without limitation, any claim by the Debtor against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in **Schedule I** attached hereto, any trademark issued pursuant to a trademark application referred to in **Schedule I** attached hereto and any trademark licensed under any trademark license listed on **Schedule I** attached hereto (items (1) through (3) being herein collectively referred to as the "*Trademark Collateral*");
- (4) each patent and patent application of the Debtor, including, without limitation, each patent and patent application of the Debtor referred to in **Schedule II** attached hereto, together with any reissues, continuations, or extensions thereof and all goodwill associated therewith;
- (5) each patent license of the Debtor, including, without limitation, each patent license of the

Debtor listed on **Schedule II** attached hereto, together with all goodwill associated therewith;

- (6) all products and proceeds of the foregoing, including, without limitation, any claim by the Debtor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in **Schedule II** attached hereto, any patent issued pursuant to a patent application referred to in **Schedule II** attached hereto and any patent licensed under any patent license listed on **Schedule II** attached hereto (items (4) through (6) being herein collectively referred to as the "*Patent Collateral*").

This security interest is granted in conjunction with the security interests granted to the Secured Party pursuant to the Security Agreement and subject to limitations set forth therein. The Debtor hereby acknowledges and affirms that the rights and remedies of the Secured Party with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Credit Agreement and the Security Agreement, the terms and provisions of each of which are incorporated by reference herein as if fully set forth herein.

**[SIGNATURE PAGE FOLLOWS]**

The Debtor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

CTI INDUSTRIES CORPORATION

By \_\_\_\_\_  
Name John M. Murray  
Title Exec. Vice President

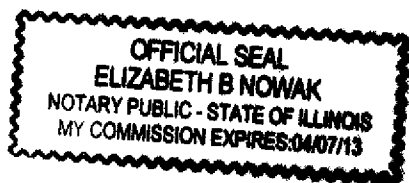
Accepted and agreed to in Chicago, Illinois, as of the date and year first above written.

HARRIS N.A.

By \_\_\_\_\_  
Name TIMOTHY J MORAN  
Title SENIOR VICE PRES

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

On this 29<sup>th</sup> day of APRIL 2010, before me personally appeared the person whose signature is set forth above, to me known, who, being duly sworn, did depose and say that he is the above-indicated officer of CTI Industries Corporation, and which executed the above instrument; and that he signed his name thereto by authority of the board of directors or similar governing of said entity.



Elizabeth B. Nowak  
Notary Public

**SCHEDULE I**

***Trademarks, Trademark Applications, and Trademark Licenses***

**TRADEMARKS**

<b>TRADEMARK</b>	<b>COUNTRY OF REGISTRATION</b>	<b>TRADEMARK REGISTRATION NUMBER</b>
HUGGERS	United States	2822844
FLORALOONS	United States	2848536
CANDYLOON	United States	2832620
ULTRALOON	United States	1841922
DAZZELOONS	United States	1863271
CTI	United States	1616702
LOONY	United States	1748636
MINILOON	United States	1291308
SUPERLOON	United States	1211711

**TRADEMARK APPLICATIONS**

<b>TRADEMARK</b>	<b>COUNTRY OF APPLICATION</b>	<b>TRADEMARK APPLICATION NUMBER</b>
ZIP VAC	United States	77912227

**INTENT-TO-USE TRADEMARK APPLICATIONS<sup>1</sup>**

None.

**TRADEMARK LICENSES**

See attached.

**UNREGISTERED TRADEMARKS**

None.

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<sup>1</sup> No intent-to-use United States trademark application is included in the Trademark Collateral until an amendment to allege use or statement of use has been filed under 15 U.S.C § 1051(c) or 15 U.S.C § 1051(d), respectively, and, if filed, has been deemed in conformance with 15 U.S.C § 1051(a) or examined and accepted, respectively, by the United States Patent and Trademark Office.



## **LICENSE AGREEMENTS**

<b><u>LICENSOR</u></b>	<b><u>DATE</u></b>
NES-TM, Inc.	April 1, 2003
Bolder Media, Inc.	January 4, 2007
Hallmark Licensing, Inc.	February 26, 2008
AGC, LLC	March 3, 2008
Intercontinental Licensing	October 1, 2008
Paws, Incorporated	January 1, 2009
LazyTown Entertainment	February 4, 2009
Train Web DBA Train Party	April 1, 2009
Borlitas	September 1, 2009

**SCHEDULE II**

***Patents, Patent Applications, and Patent Licenses***

See attached.

	Patent No.	Title
1.	6,984,278	Method for texturing a film
2.	7,178,754	Balloon anchor
1.	6,846,107	Glue drop end stops for zippered bag
2.	6,854,887	Slider with arm
3.	7,305,742	Seal for zippered bag
4.	7,611,283	Airtight zipper
5.	7,398,953	One way valve for fluid evacuation from a container
6.	7,674,152 (App no: 11/072921)	Enhanced balloon weight system
7.	App. No.: 11/092384	One way valve and container
8.	App No.: 11/207563 Pub No.: 20080199110	Fluids container
9.	App. No. 60/899513	Hand operated pump for vacuum containers
10.	App. No. 11/974766 Pub No.: 20080044112	Seal for zippered bag
11.	6,033,113	Seal for zipper-type plastic bags and the like
12.	App No. 12/012948 Pub No.: 20080230144	Pumps for vacuum containers
13.	7,552,907	One way valve for fluid evacuation from a container
14.	6,729,473	Air-evacuatable bag with double-layered valve film and method for manufacturing same
15.	6,745,904	Display rack for inflated buoyant novelty balloons
16.	D487,119	Embossed novelty latex balloon with face
17.	6,631,811	Display device for inflated buoyant novelty balloons
18.	D458,974	Short bow novelty balloon
19.	D458,650	Long bow novelty balloon
20.	D458,649	Heart and short bow novelty balloon
21.	D457,921	Heart and long bow novelty balloon
22.	D448,813	Tombstone Novelty balloon
23.	D387,095	Human lips-shaped novelty balloon
24.	5,573,437	Packaged balloon and greeting card
25.	5,538,573	Automatic valve insertion method and apparatus therefor
26.	5,405,479	Automatic valve insertion method
27.	4,837,059	Support structure for an ornament
28.	4,802,877	Method and apparatus of tying the neck of a balloon
29.	D298,809	Artificial flower with inflated blossom
30.	4,729,749	Balloon stem connector

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<b><u>LICENSOR</u></b>	<b><u>DATE</u></b>
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